

DEPARTMENT OF SOCIAL SERVICES
744 P Street, Sacramento, CA 95814



November 12, 1992

ALL-COUNTY LETTER NO. 92-99

REASON FOR THIS TRANSMITTAL

- ☒ State Law Change
- ☐ Federal Law or Regulation Change
- ☐ Court Order or Settlement Agreement
- ☐ Clarification Requested by One or More Counties
- ☐ Initiated by SDSS

TO: ALL COUNTY WELFARE DIRECTORS
ALL GROUP HOME PROVIDERS
ALL COUNTY PROBATION OFFICERS
ALL LOCAL AND COUNTY MENTAL HEALTH DIRECTORS

SUBJECT: SB 307 CHANGES TO REQUIREMENTS FOR AID TO FAMILIES WITH DEPENDENT CHILDREN - FOSTER CARE (AFDC-FC) GROUP HOME RATE CLASSIFICATION LEVELS (RCLs) 13 and 14.

This letter is to provide you with information on the changes made by Senate Bill (SB) 307 (Chapter 714, Statutes of 1992) relative to the implementation of AFDC-FC group home RCLs 13 and 14 for Fiscal Year (FY) 1992-93 and 1993-94. These changes are effective until June 30, 1994.

To implement the provisions of SB 307, the State Department of Social Services (SDSS) will be filing emergency regulations with the Office of Administrative Law. In the interim, to ensure that group home programs can be classified and paid at RCLs 13 and 14 as expeditiously as possible, we are transmitting implementation directions to you at this time.

The instructions contained within this letter incorporate the policies and procedures which will be included in the development of the emergency regulations. The Department will notify you in the event that the regulations are not filed or if there are any changes to the information contained within this letter. A final implementation letter will be issued once the emergency regulations have been filed.

Group home providers should be aware that nothing contained within this letter exempts group home providers from established community care licensing requirements. All providers will be required to adhere to all group home licensing requirements and regulations in administering programs operating at RCLs 13 or 14. Group home providers should also be aware that any changes made to their programs which result in any RCL increase or decrease must be reported to the provider's appropriate community care licensing analyst.

The information which follows is divided into nine (9) components. Together, these components provide an overview of the general requirements imposed by SB 307 for classification at RCLs 13 and 14 during FYs 1992-93 and 1993-94, including the criteria which must be met, the effective date of a rate, emergency placements, county letter of recommendation requirements, reclassification of RCLs and violation penalties. In addition, Attachment A outlines the implementation instructions to allow classification of group home programs at RCLs 13 and 14. Lastly, Attachments B and C provide statute cited within this letter to assist you in understanding the requirements imposed by SB 307.

Requirements for Classification

SB 307 changes the requirements which enable group home programs to be classified at RCLs 13 and 14 during FY 1992-93 and FY 1993-94. Under Assembly Bill (AB) 1727 (Chapter 610, Statutes of 1991), group home programs which requested to be classified at RCL 13 or RCL 14 for FY 1991-92 were required to meet all the following requirements: 1) generate the requisite number of points; 2) only accept children certified by the local mental health program to be seriously emotionally disturbed (SED) and in need of the care and supervision provided in the group home program; and 3) receive certification from the local mental health program that the group home program included provisions for mental health treatment services that met the local mental health program's criteria.

Now, under SB 307, group home programs which wish to be classified at RCL 13 or RCL 14 commencing July 1, 1992, are required to meet all of the following conditions.

- o The group home program must be providing or have proposed to provide the level of care and services necessary to generate sufficient points in the rate-setting process to be classified at RCL 13 or RCL 14.
- o The group home provider must agree to accept for placement into the program only those AFDC-FC funded children who have been approved for placement by an Interagency Placement Committee (IPC) which is comprised of membership from at least the placing agency and a licensed mental health professional from the County Department of Mental Health. Such approvals must be in writing and indicate that the IPC has determined the child to be SED as defined in Section 5600.3 of the Welfare and Institutions Code and subject to Section 1502.4 of the Health and Safety Code and that the child needs the level of care provided by the group home.

Group home providers who accept SED children pursuant to an individualized education program, will be considered to have met the IPC requirement provided the individualized education program assessment indicates the child is SED as defined and in need of the level of care provided by the group home.

Group home programs that were paid a rate at RCL 13 or RCL 14 during FY 1991-92 and applied for an RCL 13 or RCL 14 rate on their 1992-93 annual rate application will be exempt from the IPC requirements for children placed prior to July 1, 1992, provided that the children were certified as SED by the local mental health program as required by AB 1727.

- o The group home program must be certified by the State Department of Mental Health or its designee to include provisions for mental health treatment services that meet the needs of SED children. Program certifications issued by the Department of Mental Health will be valid for a period of one year unless terminated and will specify the date the program met the certification requirements.

IPC Certification Requirements (July 1, 1992 through December 14, 1992)

After July 1, 1992 if a group home accepts placement of a child from a county with an approved and operational IPC, the group home must ensure that the placement has been approved by the IPC as required. This requirement will apply to each placement received from the date of the approved and operational IPC.

In the event that a county has not established an IPC or procedures to be utilized by the IPC for approving placements by September 14, 1992, the effective date of SB 307, a group home may accept placements of non IPC certified children until December 14, 1992 provided that a licensed mental health professional makes a determination prior to placement that the child is SED. All children placed between July 1, 1992 and December 14, 1992 without IPC approval must, however, be reviewed by the IPC within 30 days of the establishment of the IPC or adoption of procedures for use by the IPC. Furthermore, if the county does not establish an IPC or the appropriate procedures by December 14, 1992 all children placed in the group home must be removed within 30 days. Failure to remove the children as required will result in the penalties specified in law and described on page 5 (see Inappropriate Placements and Penalties) of this ACL.

Emergency Placements

SB 307 makes a special exception to the IPC certification requirements previously discussed for children determined by the placing agency to be in need of emergency placement. Children, who are determined to be in need of emergency placement and who are placed in a group home program prior to the determination of the IPC, must be evaluated by a licensed mental health professional within 72 hours of the emergency placement within the group home program. This evaluation must be in writing and indicate that the child is SED and in need of the level of care and services provided by the program.

In addition, the provider must obtain the required IPC placement approval within 30 days of the first day of placement in the group home program for each child placed under the emergency criteria. In the event the IPC makes a determination that the placement is appropriate the IPC must transmit the approval, in writing, to the county placing agency and the group home provider. If the IPC determines that the placement is not appropriate, the child must be removed from the group home.

Private Pay and County-Only Funded Placements

SB 307 does not restrict group home programs classified at RCL 13 or RCL 14 from accepting private placements of children or placements of children which are paid for with county-only funds. Such placements, however, must be assessed by a licensed mental health professional as being SED as defined in Section 5600.3 and are subject to Section 1502.4 of the Health and Safety Code.

County Letter of Recommendation

SB 307 prohibits the Department from establishing a rate for a group home program requesting a program change to RCL 13 or RCL 14 unless the group home provider submits a recommendation from both the host county and the primary placing county that the program is needed and that the provider is willing and capable of operating the program at that level. As such, any provider requesting a program change to an RCL 13 or RCL 14 during FY 1992-93 and FY 1993-94 will need to obtain the required recommendations before the Department is able to establish a rate at these levels.

In addition, it should be noted that for the remainder of FY 1992-93 all requests for program changes will be subject to the program change prohibition/requirements set forth in SB 485 (Chapter 722, Statutes of 1992). Group home providers and counties should refer to All County Information Notice (ACIN) 1-52-92, dated October 9, 1992, for a detailed description of the requirements governing program changes during FY 1992-93.

Effective Dates

SB 307 mandates that rates at RCLs 13 or 14 are to be effective on the date all three requirements previously described in "Requirements for Classification" are met (see pgs. 2-3). In addition, no rate will become effective until the group home provider has met all other rate-setting and group home licensing requirements. It should be noted that all rates are established on a fiscal year basis and as such the earliest date a rate can be effective is July 1 of any fiscal year.

Reclassification of RCL

SB 307 requires the reclassification of RCL 13 or 14 group home programs under specified conditions. Under the new law, any group home program that has been classified at RCL 13 or RCL 14 will be immediately reclassified at the appropriate lower RCL, with a commensurate reduction in rate, when either of the following occur: 1) program fails to maintain the level of care and services necessary to generate the requisite number of points for RCL 13 or RCL 14 during any 90-day period, or 2) program fails to maintain a certified mental health treatment program as required.

Inappropriate Placements and Penalties

A primary emphasis of SB 307 was to establish requirements which would ensure that group home programs operating at RCLs 13 or 14 accept placements of children with needs appropriate to the types of services offered at that group home level, and that such group home programs provide a level of service commensurate with the rate received. As a result, the SED population restriction contained in SB 307 was added to ensure that children would not be inappropriately placed in group homes with other children who have extremely different problems and service needs or in group homes which offer services which exceed or do not meet the needs of the children in placement. In an effort to further these objectives, SB 307 establishes procedures and penalties for group home providers and counties that: 1) place and accept for placement into an RCL 13 or RCL 14 group home program children who have not been approved by an IPC as required and 2) continue placement of a child in an RCL 13 or RCL 14 group home program who is found subsequent to placement to no longer meet IPC approval requirements. In an effort to avoid confusion, each of these procedures is addressed separately below.

o Non-IPC Approved Placements

SB 307 provides that if an RCL 13 or RCL 14 group home provider discovers that it does not have written IPC approval for placement of any AFDC-FC funded child placed on or after July 1, 1992, it must notify the county placing agency in writing and request that the county obtain IPC approval for the placement or remove the child from the group home program. Furthermore, it mandates that the group home provider will have 30 days from the child's first day of placement to discover the placement error and to notify the county placing agency. In fairness to those providers who may have been unaware of the penalties provided for in SB 307 until receipt of this ACL, providers will be deemed to have met the 30 day notification requirement provided the required notification is made within 30 days from the date of this ACL.

The county placing agency will have 30 days from the date of notice from the group home provider to obtain approval for the placement from the IPC or remove the child from the group home program. If the county placing agency does not have the child approved for placement by the IPC or removed from the group home program within the required 30 days, the group home provider must notify the county placing agency and the Foster Care Rates Bureau, in writing, of the county's failure to have the placement of the child approved or have the child removed from the group home program. This notification must be made within five days after the expiration of the 30-day approval/removal period. Failure by the group home provider to make the required notification will result in the assessment of a penalty to the provider in the amount of the AFDC-FC rate paid to the group home provider on behalf of the child beginning on the 31st day of placement and continuing until the county placing agency is notified.

Any county that fails to remove a child from a group home program or have the placement approved by the IPC within the required 30 days will be assessed a penalty in the amount of the state and federal financial participation in the AFDC-FC rate paid on behalf of the child beginning on the 31st day of placement and continuing until the child is removed.

o IPC Approved Placements

If, at any time subsequent to placement in an RCL 13 or RCL 14 group home program, an IPC determines that a child is not SED as defined or not in need of the care and services provided by a group home program, it is the responsibility of the IPC to notify, in writing, both the county placing agency and the group home provider within 10 days of the determination. Within 30 days from the date of the notice from the IPC, the county placing agency will be responsible for removing the child from the group home program. In addition, the county placing agency must notify the group home provider within five days of the date of the notice of the county's plan for removal of the child.

If the county placing agency does not remove the child within 30 days from the date of the IPC notice, the group home provider must notify the IPC and the Foster Care Rates Bureau, in writing, of the county's failure to remove the child from the group home program. This notice must be made within five days of the expiration of the 30-day removal period.

Any county placing agency that fails to remove a child from a group home program within 30 days from the date of notice from the IPC will be assessed a penalty in the amount of the state and federal financial participation in the AFDC-FC rate paid on behalf of the child beginning on the 31st day and continuing until the child is removed.

AB 1727 Penalty Modification

SB 307 revises the penalties to be applied to group home providers classified at RCL 13 or RCL 14 during FY 1991-92 who accepted placements which were not certified under the provisions of AB 1727.

Under AB 1727 group home programs operating at RCLs 13 or 14 were mandated to only accept children certified by the local mental health program as seriously emotionally disturbed and in need of the care and supervision provided in the group home program. In addition, AB 1727 required the Department to reclassify any group home program that accepted placement of a child who was not certified as required and to reduce the program's rate accordingly.

SB 307 changes the penalties for acceptance of non-certified children during FY 1991-92. SB 307 provides that if, during a program audit conducted on or after July 1, 1992, it is found that a child was not certified during FY 1991-92 as required, the group home provider will be assessed a penalty in the amount of the difference between the rate paid and the standard rate for RCL 3 for each month of placement. As a result, group home providers who are found to have accepted placements during FY 1991-92 who were not certified as required will be assessed a penalty for each such child accepted into placement.

It should be noted, however, that group home programs who are found to have failed to maintain the level of care and services necessary to generate the requisite number of points for RCL 13 or RCL 14 or a certified mental health treatment program as required under AB 1727, may still be subject to reclassification, rate reduction and overpayment.

If you have specific questions as to the instructions contained within this letter or how SB 307 relates to your group home program, please contact your group home rates consultant in the Foster Care Rates Bureau at (916) 323-1263.

Sincerely,



LOREN D. SUTER
Deputy Director
Adult & Family Services Division

Attachments

cc: CWDA

PROCEDURES FOR CLASSIFICATION

The instructions which follow apply to group home providers who have already submitted a rate application to the Foster Care Rates Bureau (FCRB) for FY 1992-93 requesting to be classified at RCL 13 or RCL 14. All applications for RCL 13 or RCL 14 must meet the requirements of SB 307 and the requirements of SB 485 (see ACIN 1-52-92), if applicable.

APPLICATION REQUIREMENTS

1. The group home provider must provide the FCRB with a new FY 1992-93 SR 1 (Rev. 2/90) rate application form. The new form must be marked as a SB 307 Rate Request, dated with a current date and contain an original signature.
2. In addition to the new SR 1 (Rev. 2/90) rate application form, the provider must submit in writing a statement which details any changes made to the program if the program has been modified since submission of the FY 1992-93 rate application.

If no changes have been made to the program, the statement should indicate that no changes have been made.

The statement must be dated with a current date and contain an original signature by the same individual whose signature appears on the new SR 1 (Rev. 2/90) rate application form.

Depending on the changes identified in this statement, the FCRB may request additional information (i.e., other rate application forms) to update the information provided and to make a rate determination.

3. SB 307 requires that group home programs being classified at RCL 13 or 14 agree to accept for placement only children who have been approved for placement by an Interagency Placement Committee (IPC) which is comprised of membership from at least the placing agency and a licensed mental health professional from the County Department of Mental Health. Such approvals are to be in writing and indicate that the IPC has determined the child to be seriously emotionally disturbed (SED) as defined in Section 5600.3 of the Welfare and Institutions Code and subject to Section 1502.4 of the Health and Safety Code, and that the child needs the level of care provided by the group home program.

This certification requirement applies to all children accepted into placement after July 1, 1992. In the event a county has not established an IPC prior to December 14, 1992, group home programs will be responsible for adhering to the interim certification requirements previously specified on page 3 of this ACL.

To enable the FCRB to verify that group home providers are aware of, and intend to comply with, this mandate, the group home provider must submit a statement to that effect. The statement should indicate that as of July 1, 1992, or the proposed effective date of the rate at RCL 13 or 14, whichever is later, the provider agrees to accept for placement into the group home program only children who have been approved for placement by an IPC.

The statement must be dated with a current date and contain an original signature by the same individual whose signature appears on the new SR 1 (Rev. 2/90) rate application form.

4. Since SB 307 mandates that group home programs being classified at RCL 13 or 14 obtain a mental health treatment program certification from the State Department of Mental Health or its designee, a copy of this certification must also be received by the FCRB prior to classification to enable the FCRB to ensure compliance with this requirement.

Any group home provider applying to have the program's rate set effective July 1, 1992, must ensure that the mental health treatment program certification demonstrates that the group home program met the mental health treatment program certification requirements as of July 1, 1992.

The mental health treatment program certification must specify the date the group home program had a certifiable mental health treatment program in effect.

Group home providers should contact Ms. Mapula Conley of the State Department of Mental Health at (916) 654-2147 for questions regarding program certification.

5. SB 307 prohibits the Department from establishing a rate for a group home requesting a program change to RCL 13 or RCL 14 unless the group home provider submits a recommendation from both the host county and the primary placing county that the program is needed and that the provider is willing and capable of operating the program at the level sought.

Group home providers who requested a program change to RCL 13 or RCL 14 on their FY 1992-93 rate applications will be required to submit both letters of recommendation before their rates will be approved to enable the FCRB to ensure compliance with these requirements.

6. Each of the information requests previously described in items 1-5 above must be received by the FCRB prior to classification of a group home program at RCL 13 or 14. As such, to ensure that group home programs receive rates commensurate with RCL 13 or 14 as soon as possible, it is imperative that group home providers comply with these information requests as soon as is administratively feasible. Failure to provide the information in a timely manner will result in a delay of a program's classification at RCL 13 or 14.

GENERAL PROGRAM REQUIREMENTS

1. Children who are placed into a group home program on an emergency basis prior to a determination by an IPC must be assessed by a licensed mental health professional to be SED as specified in SB 307 and in need of the level of care and services provided by the group home program within 72 hours of the emergency placement.
2. In addition to the initial 72-hour assessment, the provider must also obtain IPC approval for the placement within 30 days of the first day of placement.
3. Failure to meet the 72-hour assessment or IPC placement approval requirements will result in the provider not meeting the IPC certification requirements for classification at RCL 13 or 14 and being subject to the penalties specified on page 5 of this ACL.
4. Copies of both the initial 72-hour assessment and the IPC approval of placement must be maintained on file by the group home program.
5. To demonstrate compliance with SB 307, the group home provider must maintain a copy of the IPC placement approval on file for each child in placement. Such placement approvals are not necessary for children already in placement on July 1, 1992, provided the children were appropriately assessed under the requirements of AB 1727. It should be noted, however, that with respect to placements made under the provisions of AB 1727, group home providers must continue to maintain a copy of the local mental health treatment program certification in each child's case file.
6. The group home provider must also maintain a copy of the mental health treatment program certification on file and have it available for review by the FCRB.
7. Case files will be reviewed during the group home program audit process to verify that the IPC placement approval requirements have been met. In addition, FCRB will verify that a copy of the mental health treatment program certification is on file.
8. Failure of a group home program to maintain the level of care and services necessary to generate the requisite number of points for RCL 13 or 14 during any 90-day period or to meet the mental health treatment program certification requirements will result in a loss of the RCL 13 or 14 classification and rate. Such group home programs will be subject to immediate reclassification and rate reduction.

Senate Bill No. 307

CHAPTER 714

An act to amend Section 1502.4 of, and to add Section 1507.6 to, the Health and Safety Code, and to amend Sections 4095, 11404.5, 11462 and 11467 of, to add Sections 4096 and 4096.5 to, and to repeal Section 11462.6 of, the Welfare and Institutions Code, relating to group homes, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor September 14, 1992. Filed with
Secretary of State September 15, 1992.]

SECTION 1. Section 1502.4 of the Health and Safety Code is amended to read:

1502.4. (a) (1) A community care facility licensed as a group home for children pursuant to this chapter may accept for placement, and provide care and supervision to, a child assessed as seriously emotionally disturbed as long as the child does not need inpatient care in a licensed health facility.

(2) For the purpose of this chapter, the following definitions shall apply:

(A) "Inpatient care in a licensed health facility" means care and supervision at a level greater than incidental medical services as specified in Section 1507.

(B) "Seriously emotionally disturbed" means the same as paragraph (2) of subdivision (a) of Section 5600.3 of the Welfare and Institutions Code.

(b) If a child described in subdivision (a) is placed into a group home program classified at rate classification level 13 or rate classification level 14 pursuant to paragraph (3) of subdivision (g) of Section 11462 of the Welfare and Institutions Code, the licensee shall meet both of the following requirements:

(1) The licensee shall agree to accept, for placement into its group home program, only children who have been assessed as seriously emotionally disturbed by either of the following:

(A) An interagency placement committee, as described in Section 4096 of the Welfare and Institutions Code or by a licensed mental health professional, as defined in Sections 629 to 633, inclusive, of Title 9 of the California Code of Regulations.

(B) A licensed mental health professional pursuant to clause (iii) of subparagraph (B) of paragraph (3) or subparagraph (C) of paragraph (11), or paragraph (12), of subdivision (g) of Section 11462 of the Welfare and Institutions Code, if the county does not have an interagency placement committee established pursuant to Section 4096 of the Welfare and Institutions Code, or if the child is privately placed or only county funded.

(2) The program is certified by the State Department of Mental Health, pursuant to Section 4096.5 of the Welfare and Institutions Code, as a program that provides mental health treatment services for seriously emotionally disturbed children.

(c) The department shall not evaluate, or have any responsibility or liability with regard to the evaluation of, the mental health treatment services provided pursuant to this section and paragraph (3) of subdivision (g) of Section 11462 of the Welfare and Institutions Code.

(b) (1) Adults and older adults who have a serious mental disorder.

(2) For the purposes of this part "serious mental disorder" means a mental disorder which is severe in degree and persistent in duration, which may cause behavioral functioning which interferes substantially with the primary activities of daily living, and which may result in an inability to maintain stable adjustment and independent functioning without treatment, support, and rehabilitation for a long or indefinite period of time. Serious mental disorders include, but are not limited to, schizophrenia, as well as major affective disorders or other severely disabling mental disorders. This section shall not be construed to exclude persons with a serious mental disorder and a secondary diagnosis of substance abuse, developmental disability, or other physical or mental disorder.

(3) Members of this target population shall meet all of the following criteria:

(A) The person has a mental disorder as identified in the most recent edition of the Diagnostic and Statistical Manual of Mental Disorders, other than a primary substance use disorder or developmental disorder or acquired traumatic brain injury pursuant to subdivision (a) of Section 4354 unless that person also has a serious mental disorder as defined in paragraph (2).

(B) (i) As a result of the mental disorder the person has substantial functional impairments or symptoms, or a psychiatric history demonstrating that without treatment there is an imminent risk of decompensation to having substantial impairments or symptoms.

(ii) For the purposes of this part, "functional impairment" means being substantially impaired as the result of a mental disorder in independent living, social relationships, vocational skills, or physical condition.

(C) As a result of a mental functional impairment and circumstances the person is likely to be eligible for public assistance, services, or entitlements or is otherwise legally a public responsibility.

(4) For the purpose of organizing outreach and treatment options, to the extent resources are available, this target population includes, but is not limited to, persons who are any of the following:

(A) Homeless persons who are mentally ill.

(B) Persons evaluated by appropriately licensed persons as requiring care in acute treatment facilities including state hospitals, acute inpatient facilities, institutes for mental disease, and crisis residential programs.

(C) Persons arrested or convicted of crimes.

(D) Persons who require acute treatment as a result of a first episode of mental illness with psychotic features.

(c) Adults or older adults who require or are at risk of requiring acute psychiatric inpatient care, residential treatment, or outpatient crisis intervention because of a mental disorder with symptoms of psychosis, suicidality, or violence.

(d) Persons who need brief treatment as a result of a natural disaster or severe local emergency.

Assembly Bill No. 1491

CHAPTER 611

An act to amend Sections 209, 255, and 265 of, to repeal and add Section 266 of, and to add Section 275 to, the Health and Safety Code, to amend Sections 225.05, 1806, 4012, 4017, 4033, 4050, 4071, 4075, 4091, 4094, 4095, 4330, 4331, 4332, 4333, 4341, 4342, 4353, 4356, 4360, 5402, 5403, 5600.1, 5600.2, 5600.3, 5600.4, 5600.5, 5600.7, 5600.9, 5604.2, 5610, 5651, 5651.2, 5672, 5695.7, 5704, 5705, 5711, 5712, 5714, 5716, 5721, 5722, 5724, 5750, 5750.1, 5764, 5802, 5851, 5905, 10604.5, 14153, 16800, 16801, 16803, 16808.1, 16809, 16809.3, 16812, 16817, 17000.5, 17600, 17600.15, 17600.20, 17601, 17602, 17603, 17603.05, 17604, 17605, 17605.15, 17606, 17606.05, 17606.10, 17606.15, 17606.20, 17608.05, 17608.10, 17609, 17609.05, 18986.21, and 18988 of, to amend and renumber Sections 5600.2, 5692, 5692.5, 5699, 5699.1, 5699.2, and 17602.05 of, to add Sections 10604.6, 17601.10, 17604.05, 17609.01, and 17609.10 to, to repeal Sections 1807, 1808, 1809, 1810, 1811, 1812, and 17608 of, and to add Article 2 (commencing with Section 5680) to Chapter 2.5 of Part 2 of Division 5 of, and to repeal Article 2 (commencing with Section 5681) of Chapter 2.5 of Part 2 of Division 5 of, the Welfare and Institutions Code, and to amend Sections 202 and 203 of Chapter 89 of the Statutes of 1991, relating to public social services, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor October 6, 1991. Filed with
Secretary of State October 7, 1991.]

SEC. 38. Section 5600.3 of the Welfare and Institutions Code is amended to read:

5600.3. To the extent resources are available, the primary goal of use of funds deposited in the mental health account of the local health and welfare trust fund should be to serve the target populations identified in the following categories, which shall not be construed as establishing an order of priority:

(a) (1) Seriously emotionally disturbed children or adolescents.

(2) For the purposes of this part, "seriously emotionally disturbed children or adolescents" means minors under the age of 18 years who have a mental disorder as identified in the most recent edition of the Diagnostic and Statistical Manual of Mental Disorders, other than a primary substance use disorder or developmental disorder, which results in behavior inappropriate to the child's age according to expected developmental norms. Members of this target population shall meet one or more of the following criteria:

(A) As a result of the mental disorder the child has substantial impairment in at least two of the following areas: self-care, school functioning, family relationships, or ability to function in the community; and either of the following occur:

(i) The child is at risk of removal from home or has already been removed from the home.

(ii) The mental disorder and impairments have been present for more than six months or are likely to continue for more than one year without treatment.

(B) The child displays one of the following: psychotic features, risk of suicide or risk of violence due to a mental disorder.

(C) The child meets special education eligibility requirements under Chapter 26.5 (commencing with Section 7570) of Division 7 of Title 4 of the Government Code.